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# **National Intelligence Bulletin**

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March 15, 1976

**Nº 699**

DIA and DOS review(s) completed.

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Approved For Release 2007/03/06 : CIA-RDP79T00975A028700010026-5

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**LEBANON**

President Franjiah announced yesterday that he will not resign unless he is impeached by parliament and convicted by a high court, as provided in the Lebanese constitution. Franjiah's aides have refused to receive a petition calling for his resignation signed by more than two thirds of the members of parliament.

The President, who had earlier said he would step down if asked by parliament, is in effect saying that he will not resign under any circumstances. The high court required to try impeachment cases has never been created, and could not be established without new legislation signed by the president.

Franjiah is stalling in the hope that Brigadier Ahdab will in the end allow him to stay on rather than risk the new round of heavy fighting that probably would result from an extended political impasse or from a military move against the presidential palace. The President is gambling that leaders of the large Christian militias, who favor his "legal" removal, would help him resist a military assault out of fear that Ahdab, a Muslim, would never get around to having parliament elect another Christian president once Franjiah had been forced out.

Ahdab is increasing the pressure on Franjiah to resign, and on the politicians to force him to do so, but he has not yet followed through on his promise to form a "military command council" to govern in Franjiah's stead. Ahdab did say on Saturday that he considers Franjiah "as having resigned" and threatened yesterday that he will use force against him, although he did not say when he would take this step.

Ahdab presumably realizes that the unstable alliance of political leaders favoring Franjiah's resignation will fall apart if parliament is unable to negotiate a solution soon. He nevertheless has allowed the political talks to go on this long because of indications that the right-wing Christian political parties might back him, because the military high command is divided on whether to take more forceful action, and because Franjiah commands sufficient forces to mount a vigorous defense of the presidential palace that might expose Ahdab to be backed by fewer troops than he claims.

In fact, the US defense attache in Beirut has learned that there are only some 300 regular Lebanese army troops guarding the palace, although they are augmented by an unknown number of irregulars from Franjiah's home town of Zagharta. Despite press reports to the contrary, there are apparently no pro-Franjiah units of any significant size at army bases near the presidential palace.

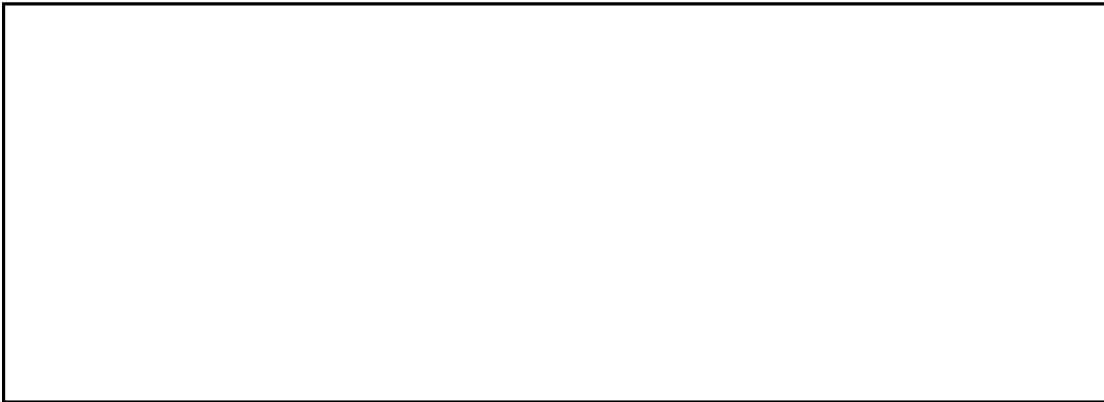
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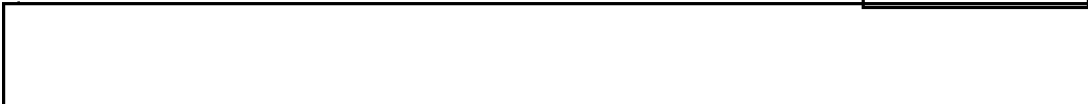
The chances for a military showdown increased last night, when the pro-Franjiyah radio station broadcast apparently authentic statements by Phalangist leader Jumayyil and National Liberal leader Shamun declaring that the President's resignation would not "constitute a solution" to the crisis. Phalangist and National Liberal deputies in parliament have so far refused to sign the petition calling for Franjiyah's resignation.



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Khatib's forces, which receive limited backing both from Fatah and the fedayeen rejectionists, over the weekend occupied some government buildings in Beirut. Jumblatt, who originally opposed the coup, is now saying that it provides an opportunity to "change the system."

Syria is still hopeful that it can control the security situation in Lebanon and promote or force a political solution, but is running out of options.

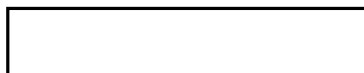


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Syrian chief of staff Shihabi, in a talk with Ambassador Murphy on Saturday, indicated that the Syrians do not believe that the Liberation Army will be adequate to maintain security in Lebanon, and that Damascus sees no possibility that the Lebanese army or internal security force can be put back together.

The postponement yesterday of President Asad's trip to Paris, scheduled to begin today, underscores the seriousness with which Damascus views the situation in Lebanon.

There are as yet no firm indications that Damascus intends to use Syrian regular forces to impose a solution on the Lebanese. The US defense attache in Damascus reported over the weekend, however, that at least one Syrian division—the 3rd Armored at Al Qutayfah—may have increased its state of readiness.



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The attache believes that the 3rd division would be the one most likely to be used if the Syrians did intervene militarily in Lebanon. On a tour of the Damascus - Al Qutayfah area on Saturday, the attache found no positive indications that this unit was being readied for intervention, but he did observe some minor military activity that could be considered unusual.

Asad presumably is still very reluctant to resort to such a high risk operation as the use of Syrian regulars in Lebanon, and Shihabi made it clear that he was only confiding his own disgust with the situation and was not suggesting what course of action Asad would finally take. Asad almost certainly prefers to continue Syria's efforts to press the Lebanese to reach a political accommodation; [REDACTED]

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The dilemma for Asad is that he has staked considerable personal prestige on achieving a successful Syrian mediation in Lebanon. He is concerned to preserve the enhanced stature as an Arab leader that he has gained through his efforts to date, and he wants to avoid giving additional ammunition to his critics, especially President Sadat.

Thus the danger in the present situation is that Asad, despite his caution and his desire not to provoke an Israeli reaction, could decide that some form of intervention by Syrian regulars is a necessary risk to protect his heavy political investment in Lebanon and to preserve his Arab leadership credentials.

The Israelis also face a dilemma in assessing the current situation. They recognize that Syrian leverage is crucial to resolving the crisis, but are uncertain about the security vacuum created in the sensitive southern border area by the collapse of the Lebanese army.

Tel Aviv probably would respond to a substantial Syrian intervention, especially in southern Lebanon. They might stay their hand, however, if the Syrians confined themselves to northern Lebanon or the Beirut area. Even a limited Syrian move, however, would be likely to trigger an increased Israeli alert and some mobilization.

[REDACTED]  
[REDACTED] Military authorities in Tel Aviv reported late last week that Israeli forces in the north had increased their alert and were watching developments in Lebanon closely.

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Egypt has remained unusually silent on the recent turn of events in Lebanon. Cairo was reported late last year to have readied a contingency plan for military intervention in Lebanon in the event of further deterioration, but almost certainly will await further developments before taking any precipitate action.

It is unlikely that the Egyptians would move into Lebanon in the midst of their current crisis with the Libyans and their diplomatic tangle with the Soviets. For the moment, the Egyptians appear to be avoiding public comment that could stir up further trouble or provoke Syria.

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### EGYPT-USSR

President Sadat's call last night for the abrogation of the 1971 Egyptian-Soviet friendship treaty indicates that he has finally written off any expectation of putting his relations with Moscow on an even keel and will no longer make even a pretense of maintaining a civil relationship.

The 15-year treaty itself is essentially a meaningless document—providing only vaguely for “all-around cooperation” and for Soviet help to Egypt in “eliminating the consequences of (Israeli) aggression”—it has, however, served as a symbol of continued amity between the two states through the many upheavals in their relations over the last five years.

Sadat did not specifically mention other agreements with the Soviets such as the accord, scheduled to run through March 1978, that permits them the use of naval repair facilities at Alexandria, but it seems entirely possible that abrogation of this accord will follow. The friendship treaty and the port agreement are not directly linked. The port agreement predates the treaty by three years, but the treaty has provided a rationale for what Soviet presence remains in Egypt.

The Alexandria shipyard is the only major repair facility available to the Soviet Mediterranean fleet. Although the Egyptians denied Soviet vessels access to other Mediterranean ports last year, Sadat has thus far avoided tampering with the Alexandria facility, presumably in the belief that his control over Soviet access there might give him some leverage to press for a resumption of arms shipments.

Sadat seems now to have given up any hope that more arms will ever be forthcoming, and he probably no longer believes that pressure on Moscow will be fruitful. In fact, he seems to have concluded that the friendly gestures he has recently made to Moscow will also be of no use in bringing Moscow around to a more accommodating stance on the arms issue, and he is convinced that the Soviets are now trying to bring him down.

Sadat has tried in recent months to make a tentative peace with the Soviets, even to the point of publicly affirming that he had stopped the propaganda war with them and of openly acknowledging that Soviet and Egyptian policy are in accord on some issues.

Moscow's reply over the last month or so—which Sadat outlined in his speech as the reason for abrogating the treaty—was to refuse further overhauling of MIG-21 engines and to refuse permission for India either to overhaul the engines or to provide Egypt with aircraft spare parts. Because of this embargo, Sadat said last night, all of Egypt's arms will become “scrap metal” within the next year or year and a half.



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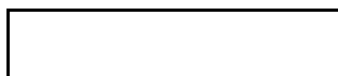
For the Soviets, Sadat's abrogation of the treaty will have important symbolic, and perhaps practical, consequences. Moscow places more stock in such treaties than their substance warrants; it regards a friendship treaty as a tangible expression of the desire for, if not necessarily the fact of, a close and congenial relationship. Egypt's abrogation will be seen not only as a declaration of present antipathy, but also as an expression about future bilateral relations.

The Soviets will be discomfited by the fact that it was Sadat, not they, who took the initiative and the abrogation will revive memories of the ignominious expulsion of Soviet advisers from Egypt in 1972.

The Soviet leadership is almost certainly over how best to handle the Egyptian situation. The hard-liners may argue that Sadat's action is further evidence that the USSR cannot do business with him. They might even press for a sharp retort, perhaps arguing that Sadat is further evidence trouble, and therefore if Moscow remains unyielding, he will either come around or be replaced. Moscow's perception of Sadat's political trouble may have prompted Soviet rejection to his recent political overtures.

Those Soviet officials who have argued for a more flexible policy—and who wanted to reschedule Egypt's debt repayment and resume some military aid will counsel a waiting game. They can argue that thus far the inflexible policy has widened the breach with Cairo without impairing Sadat or strengthening the USSR's putative friends in Egypt.

The People's Assembly will meet tonight in Cairo to vote on the draft bill Sadat has submitted abrogating the treaty. Assembly members gave Sadat a standing ovation when he called for the abrogative, and the bill is thus expected to meet a little opposition.



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### IRAQ

Differences between Iraq's ruling Baath Party and the Communist Party have deepened significantly in the last several months.

Communist leaders fear a split within their party unless the Baathists increase the Communists' role in the government. The Baathists, however, have no intention of granting concessions and are continuing to suppress Communist activity.

In the past, Baathist tolerance of the Communists has been a matter of expediency designed in part to mollify the Soviets, whose military support was essential for operations against the Kurdish dissidents. With the collapse of the Kurdish rebellion last March, however, the Baathists acted to reduce Communist influence.

Following the Iranian-Iraqi accord signed last March, the Communist Party began to lose members—especially younger ones—and suffered a decline in morale. The Baathists also intensified their efforts to eliminate Communists from senior jobs in the civil service and from teaching positions.

The Communists had cooperated with the Baathists, primarily out of fear of damaging reprisals. Communist leaders now realize that the ruling party intends to continue trying to undermine their party in order to eliminate a potential competitor. The Communist Party is now under internal pressure to take a hard stand against Baathist moves and, as a result, has begun to strengthen its covert organization.

Despite the Communists' awareness of Baathist intentions, there is little they can do to stop the Baath Party's drive to undermine their party. The demonstration of force last month by the Baathist People's Army, together with its control of the armed forces, precludes a military challenge by the Communists. Since the Baath Party will continue to refuse meaningful concessions to the Communists, the Communists face a bleak future.

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### EC-SPAIN-ITALY

Spanish and Italian officials, in their continuing attempts to head off a US decision to curtail shoe imports, are now stressing possible political repercussions as well as familiar economic arguments.

Italian officials suggest that such a move by the US would hurt the ruling Christian Democratic Party in the event of national elections and, on the heels of the Lockheed and CIA controversies, would increase public criticism of the US.

The Spanish minister of industry has publicly linked the shoe import issue to ratification of the recently negotiated US-Spanish treaty of friendship and cooperation, which has drawn fire from some politicians on the left and right. US import restrictions would focus attention on the treaty, infusing the issue with nationalist sentiment and intensifying current economic concerns.

The Spanish minister of commerce has told the US embassy that a US decision to curtail imports would increase unemployment at a time when Spain is experiencing its worst recession in 40 years. This would, he said, cause further labor unrest and jeopardize an orderly evolution toward political liberalization. The minister noted that Spain's shoe manufacturing industry is concentrated in areas that have so far been free of labor unrest.

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### ANNEX

#### West Europeans Concerned Over Developments in Southern Africa

West European governments are increasingly concerned over developments in southern Africa. The EC will meet this week to discuss the implications of Soviet and Cuban involvement and NATO will take up the matter in a regularly scheduled session now set for March 24.

The EC's response to events in southern Africa had until recently been muted, largely because of French reluctance to participate in any concerted action that could undermine Paris' own standing with the black African states. West Germany and the UK, however, are pushing hard for a common policy, on the grounds that action must be taken now if there is to be any chance of checking Soviet and Cuban influence.

In NATO, Paris has taken advantage of West European reluctance to involve the Alliance directly to block proposals for special political consultations.

#### Angola

All EC members have recognized the Popular Movement for the Liberation of Angola. EC member states are likely to increase their aid, since all nine consider Agostinho Neto a genuine nationalist who desires assistance from Western Europe in order to reduce his dependence on the USSR.

While the Nine recognize the Soviet and Cuban presence as a fait accompli, they discount the possibility of a major clash between Cuban and South African troops anytime soon. They believe the new government will for some time be preoccupied with internal problems.

#### South Africa and Rhodesia

Even though the EC recognizes it has a major stake in developments in South Africa and Rhodesia, only the UK has made an effort to use its influence there.

EC leaders have only cautiously supported London's efforts to convince Salisbury to modify its policy. UK officials fear that time is running out, however, and they hope the EC can soon develop a common position on Rhodesia that would strengthen Prime Minister Wilson's hand in dealing with Prime Minister Smith's government.

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Despite the French role as the principal supplier of arms to South Africa, Paris does not appear to have tried to influence the Vorster government on issues affecting southern Africa. French President Giscard announced a cutback in arms sales to Pretoria last fall, but this was intended primarily to counter domestic criticism and further cement French ties to the black French-speaking states. The West Germans also have tried to deemphasize their significant commercial relationship with South Africa over the past year.

South Africa has asked NATO to issue a demarche calling on Pretoria to withdraw from Angola, apparently to enable Prime Minister Vorster's government to save face at home should it decide to pull out its troops. NATO is not likely to accede to Pretoria's request because it regards southern Africa as beyond its sphere of activity. Moreover, most of the allies are reluctant at this time to go beyond an exchange of views within the NATO forum.

The EC, on the other hand, agreed last week to issue a low-key, confidential demarche urging Pretoria to withdraw its troops from southern Angola immediately. The Nine also plan to suggest that Prime Minister Vorster attempt a conciliation with Neto on the grounds that the threatened spread of hostilities in the area must be reduced.

Pretoria will also be told that France and the UK do not intend to veto a resolution condemning the South African presence in Angola should one come before the UN Security Council. London, in fact, has indicated it might even vote in favor of a resolution condemning South Africa alone.

Several black African states are expected to raise a question this week in conjunction with a Security Council debate called to consider compensation to Mozambique for imposing sanctions on Rhodesia. The West Europeans and some African states are working to postpone UN consideration of the Angolan issue from this month until May.

The EC's important trade relationship with South Africa might cause the UK and France to reconsider their anti-veto stance should the Security Council call for economic sanctions against Pretoria. Nevertheless, sentiment is growing within the Community to take strong action if Rhodesian obstinacy and South African complicity continue.

The Nine have decided against a public objection to the presence of Cuban and Soviet military personnel in Angola. They feel their declaration last month condemning the presence of all foreign troops in Angola was sufficient.

France, in particular, has refused to condemn the Soviet and Cuban roles, presumably out of concern that such a decision would undermine its policy of

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developing strong ties to former French and Portuguese colonies. Another major consideration is Paris' desire to obtain security guarantees from certain African states for the Territory of Afars and Issas when it becomes independent.

### Community Assistance

EC members plan to increase financial and economic assistance to black governments in southern Africa to help counter Soviet influence. Zambia and Zaire will be the principal recipients, and efforts are being made to balance the program with assistance to Angola. Some EC members strongly favor providing aid to Mozambique as well and would support the creation of a special fund to compensate Mozambique for imposing sanctions against Rhodesia.

West Germany recently expanded its aid program to the region, notably with a \$14-million capital and commodity loan to Zambia. The UK is planning a \$10-million capital loan to Lusaka, as well as grants for Zaire and Angola that could total \$4 million.

Both London and Bonn are pushing for a substantial EC aid commitment to complement these efforts. Most EC members, including France, seem receptive, and a decision is likely by next month.

The Community will probably agree shortly to an emergency humanitarian relief program for Zaire and Angola. Meanwhile, the EC Commission is studying other means to step up multilateral aid to Zaire, Zambia, and Angola, concentrating on food aid and efforts to keep the Benguela railway open.

The Nine foresee additional assistance channeled to Angola, and possibly Mozambique, as soon as these countries join the Lome Convention—the preferential trade and aid accord linking 46 developing, primarily African, states to the EC. Angola is likely to apply to the Convention in early April, and West Germany and Italy will probably push for a favorable and rapid Community response.

### Western Sahara

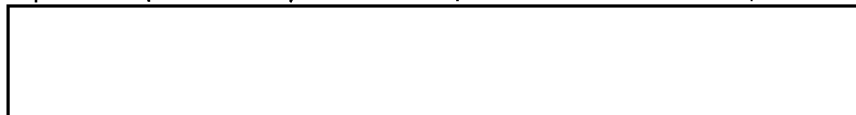
Bonn and London have tried to focus the EC's attention on Western Sahara in the hope of avoiding a repetition of the embarrassing disarray in the EC caused by France's haste to recognize Angola. Although both Morocco and Algeria have been trying to enlist EC support, the Nine are unlikely to formulate a common policy soon.

Most EC members have maintained a balanced position on Western Sahara. This need for evenhandedness was reflected in the Community's recent decision to renegotiate parts of its trade and aid accords with the Maghreb states.

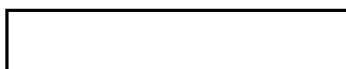
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France, once again out of step with its partners, favors the Moroccan position, although it wants to preserve its ties with Algiers. Paris has agreed, thus far at least, only to allow a group of EC political experts to study the issue and come up with recommendations.



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